

## Message Text

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53

ACTION TRSE-00

INFO OCT-01 EUR-25 ISO-00 EB-11 SSO-00 NSCE-00 USIE-00

INRE-00 SAM-01 FEA-02 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 PRS-01 SP-03 OMB-01 SWF-02 DRC-01 /166 W

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O 031133 JUN 74

FM AMEMBASSY MADRID

TO SECSTATE WASHDC IMMEDIATE 9038

LIMITED OFFICIAL USE MADRID 3392

DEPT PASS TREASURY

E.O. 11652: N/A

TAGS: ETRD, SP

SUBJECT: COUNTERVAILING DUTIES

REF STATE 110378; MADRID 3196; MADRID 3314

1. NOW THAT THE PRINCIPAL GOS ECONOMIC POLICY MAKERS HAVE RETURNED FROM THE OECD MINISTERIAL IN PARIS, THEIR REACTIONS TO THE INFORMATION CONTAINED IN REF DEPTTEL CAN BE REPORTED FOR THE FIRST TIME.

2. FOREIGN OFFICE DIRECTOR GENERAL BASSOLS SAID HE WAS "SURPRISED AND WORRIED." SOMEHOW BASSOLS HAD EXPECTED (APPARENTLY ON THE BASIS OF WHAT THE GOS TECHNICAL LEVEL TEAM TOLD HIM) THAT HE WOULD RECEIVE INFORMAL FEEDBACK FROM WASHINGTON THAT WOULD INDICATE EITHER A NEGATIVE OR POSITIVE REACTION ON THE PART OF THE U.S. AUTHORITIES TO THE TECHNICAL LEVEL PRESENTATION. HIS POSSIBLE TRIP TO WASHINGTON, ALONG WITH OTHER HIGH-LEVEL

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GOS OFFICIALS, WAS CONTINGENT UPON THERE BEING A  
NEGATIVE WASHINGTON REACTION. IN THE ABSENCE OF A CLEAR  
INDICATION HE IS NOT SURE OF WHAT COURSE TO FOLLOW.

3. WHILE IT MAY BE IMPOSSIBLE FOR THE TREASURY TO GIVE  
A PRECISE INDICATION OF THE DECISION LIKELY TO BE MADE  
REGARDING THE POSSIBLE PUBLICATION OF A HEARINGS NOTICE,  
PERHAPS TREASURY COULD PROVIDE SOME INFORMAL CLUE AS TO  
WHICH WAY ITS INVESTIGATION IS TENDING SO THAT WE COULD  
RELAY THIS INFORMATION ON TO BASSOLS? TO BE ABLE TO DO SO  
WOULD BE EXTREMELY HELPFUL TO HIM AS WELL AS US IN OUR RELATION-  
SHIP WITH HIM. SINCE TIME IS GROWING SHORT, AN IMMEDIATE  
RESPONSE BY THE DEPARTMENT TO THIS PORPOSAL WOULD BE  
APPRECIATED.

4. OVER THIS PAST WEEKEND THE COUNTERVAILING ISSUE HAS  
BECOME PUBLIC IN THE MADRID PRESS ON THE BASIS OF A  
EFE STORY DATED IN WASHINGTON, WHICH WAS HEADLINED:  
"NEW THREAT TO SPANISH FOOTWEAR EXPORTS TO U.S..."  
SPANISH COMMERCIAL SOURCES IN WASHINGTON ARE QUOTED AS  
SAYING "THE SPANISH GOVT WOULD BE TOTALLY JUSTIFIED  
IN ADOPTING REPRISAL MEASURES AGAINST U.S. EXPORTS IF  
WASHINGTON DECIDES TO ADOPT MEASURES AGAINST SPANISH  
FOOTWEAR". FURTHER CONFUSING THE ISSUE THE ARTICLE  
SAYS THAT TRADE CIRCLES EXPRESS "... DOUBTS THAT THE  
TREASURY DEPT WILL RWLE IN FAVOR OF THE CLAIM MADE  
BY THE U.S. MANUFACURERS SINCE THIS WOULD OPEN THE  
DOORS TO A LIMITED TRADE WAR." FOREIGN OFFICE SOURCES  
STATE THAT THEY NEVER AUTHORIZED THEIR EMBASSY TO PLANT  
SUCH A STORY. THEY SPECULATE THAT AN AGENT RETAINED  
BY THE SPANISH FOOTWEAR INTERESTS IS THE LIKELY  
RESPONSIBLE PARTY.  
AXELROD

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NNN

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COUNTERVAILING DUTIES, TRADE AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 JUN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** cunninfx  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974MADRID03392  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** n/a  
**Errors:** n/a  
**Film Number:** D740140-0118  
**From:** MADRID  
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**Office:** ACTION TRSE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 110378; MADRID 3196; MADRID 33, 14  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** cunninfx  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 30 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <30 APR 2002 by elyme>; APPROVED <14 FEB 2003 by cunninfx>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> mcm 971027  
**Subject:** COUNTERVAILING DUTIES  
**TAGS:** ETRD, SP  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005